

Motion to be adopted in each HB 2 appropriations subcommittee: (Note: ~~This is SB~~ revision as of HB 2 1/6/07, 6:00 p.m., to the original motion released earlier in the day. Revisions are shown as strikeouts/capital letters, and do not change the motion substantively, but are done for clarity)

"I move that for all agency budgets reviewed by this subcommittee that the starting point will be the 2006 base budget as ~~defined in statute~~ SHOWN IN THE LEGISLATIVE BUDGET ANALYSIS plus statewide present law adjustments, with the exception of "personal services" as shown in the present law adjustment table of the Legislative Budget Analysis. For personal services (salaries and longevity), only costs related to the 2007 biennium pay plan (HB 447) will be included and adjusted for the 2009 biennium benefit rates. All other personal services adjustments must be acted upon as a decision package to be considered as the subcommittee's recommendation.

Adjustments to "inflation/deflation" and "fixed costs" for agencies in this section are approved, based upon the decision of the subcommittee reviewing the particular "inflation/deflation" and "fixed costs" item, and LFD staff is directed to make those adjustments.

For whatever the subcommittee decides is included in "personal services", LFD staff is directed to adjust the vacancy savings amount by the approved committee percent."

What this amendment does:

- Establishes, with one motion, that the starting base for each agency is the 2006 base budget plus statewide present law adjustments, excluding personal services other than CERTAIN statutory increases, primarily related to the 2007 biennium pay plan
- THIS MOTION REPLACES THE EXECUTIVE BUDGET AS THE STARTING POINT FOR SUBCOMMITTEE RECOMMENDATIONS ON HB2, AND AS A RESULT, THE FOLLOWING ARE NO LONGER INCLUDED IN THE STARTING POINT, AND REQUIRE POSITIVE COMMITTEE ACTION TO INCLUDE THEM:
 - STATEWIDE PRESENT LAW ADJUSTMENTS FOR PERSONAL SERVICES OTHER THAN THE PAY PLAN AND CERTAIN OTHER STATUTORY ADJUSTMENTS
 - PRESENT LAW ADJUSTMENTS OTHER THAN "STATEWIDE"
 - NEW PROPOSALS
- Authorizes the adjustment of fixed costs and inflation "automatically", once reviewed and approved by the subcommittee responsible for a global application of that component (the subcommittees will be notified of the decision, with the option to disagree, but in the absence of action, will be "automatic")
- Requires adjustment by the LFD analyst to ensure final personal services adopted by the committee reflects the vacancy savings rate approved by that subcommittee.

This amendment conforms to the understanding that vacancy savings is applied to all budgets as recommended by the executive (generally a 4% rate), and that subcommittees may approve adjustments as they deem appropriate



PERSONAL SERVICES QUESTIONS – 2007 SESSION

1. Has the agency implemented a broad band pay plan, agency-wide or for selected jobs? If so, when was it implemented and what were the estimated cost increases in the year of implementation? How were these costs funded (by holding vacant positions open, appropriations for other purposes that were unexpended, etc)?
2. At what percentage of market are new employees paid? How do employees progress to the market rate for their position? What is the agency's target percent of market? What is the agency average percent of market in FY 2006?
3. Did the agency have vacant positions for a significant portion (6 months or more) of FY 2006? If yes, how many and why were these vacant? How did the vacancies impact agency operations?
4. Did the agency have authorized pay exceptions for pay plan 60 positions? If yes, why?
5. Did the agency have authorized position upgrades or downgrades for pay plan 60 positions? If yes, why?
6. What challenges does the agency face in recruiting and retaining staff? What actions has the agency taken to address recruitment and retention issues? Is the agency competing with other state agencies or the public sector for staff?
7. Are agency staff members represented by collective bargaining units? How many of the agency staff are impacted by collective bargaining unit agreements? What provisions are included in bargaining unit agreements? How often are these agreements negotiated?

Motion for All Agencies in Section E

Motion = LFD Analysis FY 2006 Base + [SWPLA – (Personal Services Component – Non HB447 Factors)]

- **LFD Analysis FY 2006 Base** = FY 2006 expenditures with adjustments for one-time-only appropriations, biennial appropriations, mid-year budget amendments, etc. (this has been established by an agreement between LFD and executive budget office)
- **SWPLA** = Statewide Present Law Adjustments
 - Fixed Costs Component
 - Inflation/Deflation Component
 - Vacancy Savings Component
 - Personal Services Component (all adjustments related to personal services costs)
- **HB447 Factors** = the following:
 - Annual salary adjustments (3.5 % in FY2006 and 4% in FY2007)
 - Longevity factors
 - Health insurance benefit increase
- **Non HB447 Factors** = those changes to salaries and benefits that were not specifically included in the pay plan bill for the 2007 biennium (HB 447) including:
 - Market Adjustments
 - Promotions
 - Changes due to move to broadband pay plan
 - Refunding of vacant FTE positions
 - Other Factors...

*instructing the
staff to follow
procedure
explains HB 2*